a neighborhood's low and moderate-income residents. (Low and moderate-income persons are defined as persons whose income does not exceed 80 percent of the median income of all residents in the county in which the project is located. In unusual cases, the National Trust may agree to use an alternative definition.) The ICVF will give priority to projects aiding residents who are members of minority groups; blacks, Hispanics, Asian or Pacific islanders, American Indians or Alaskan natives.

3. Location in a neighborhood where conditions indicate that low and moderate-income residents are being forced out or are likely to be displaced in the future. These neighborhood conditions may include housing loss or tenant eviction because of deterioration or disinvestment, changing land use or uncontrolled reinvestment, the latter causing increases in rents, taxes or other costs. The closing of significant local industries that formerly provided neighborhood jobs may also be a factor.
4. Capability of increasing the sponsoring organization's financial and staff capabilities to undertake future real estate development projects.
5. Location in a historic district listed in the National Register of Historic Places or designated as a historic district by an appropriate local or state government body authorized by the U.S. Department of the Interior, National Park Service, to make such designations. The project buildings should at least contribute to the importance of the district.* If an area is not located in a recognized historic district, the State Historic Preservation Officer must indicate in writing that the district substantially meets National Register criteria. The ICVF may also make assistance available for a building or small group of buildings listed individually in the National Register or deemed eligible for the National Register by the State Historic Preservation Officer.

In addition, it must be feasible for a project to be initiated and become fully operational in a reasonable period of time mutually agreed on between the applicant and the National Trust.

Although the ICVF does not prescribe a specific model for assisted projects (see description of first-year awards, p. 5), some possible types of projects are described as follows:

1. Acquisition with rehabilitation, or rehabilitation (if the property has previously been acquired) of rental units for (a) subsequent management by the community organization or (b) development of a tenant cooperative to own the units.
2. Acquisition with rehabilitation of abandoned or otherwise vacant buildings for resale to neighborhood residents.
3. Financial assistance to tenants to permit them to purchase and rehabilitate their homes, or financial assistance to permit low and moderate-income homeowners to rehabilitate their homes.
4. Small-scale commercial or economic revitalization projects integrally related to the revitalization of the neighborhood if such projects provide employment specifically for neighborhood residents or provide neighborhood commercial services needed by residents.

*Pursuant to the National Historic Preservation Act of 1966, 16 U.S.C. Section 470 et seq., the Secretary of the Interior was authorized to establish the National Register of Historic Places as a list of districts, sites, buildings, structures and objects significant in American history, architecture, archeology and culture. Contact your governor's office for the name and address of your State Historic Preservation Office, which can supply information about National Register districts and eligibility.

2. ICVF ASSISTANCE

The ICVF will provide the recipient with a grant and a loan in equal amounts, each in a minimum amount of $20,000 and a maximum amount of $50,000.

The loan, provided through the National Preservation Revolving Fund, carries an interest rate not exceeding one-half of the prevailing prime interest rate with a term of five years or less. Interest payments must be made quarterly, and principal repayments will commence 15 months after the disbursement of the loan.

ICVF loan and grant assistance is intended to provide only a portion of the equity funds needed to finance a project. Applicants should recognize that the ratio between total project costs and ICVF assistance is one of the major criteria used in selecting ICVF recipients. Generally, recipients must multiply ICVF assistance at least five (5) times through foundation or corporate grants, conventional loans, public assistance or other means. However, because not all project models may allow for this leverage, the 5-1 ratio is not an absolute minimum.

Further, a portion of the total project costs, equal to at least 50 percent of the ICVF contribution, must be a direct cash investment by the organization in the project. This investment can come from foundation or corporate grants. An organization may also use its own funds or the value of its equity in a project building. However, neither funds used to plan or operate a project nor private or public loans can be counted as part of this required direct cash investment.

Community Development Block Grants, general revenue sharing or other public grant funds will be counted toward the cash investment only if these funds can be drawn down or used simultaneously with the use of ICVF monies to directly assist the project. At no time will ICVF monies be the only funds invested in a project.

Additional funds needed for a project beyond the direct cash investment may come from other sources, including loans from conventional lenders, city or state housing finance agencies, Community Development Block Grants or other public rehabilitation grants or loans that directly assist the project or for-profit investments, such as limited partnerships or other investment vehicles. For projects involving financial assistance to tenants or homeowners, funds expended by such tenants or homeowners or the value of the tenant or homeowner sweat equity can be counted as part of total project costs.

In calculating total project costs, an organization may include estimated expenditures for staff time to administer